

# COUNTY OF YORK

## MEMORANDUM

**DATE:** November 7, 2000 (BOS Mtg. 11/21/00)

**TO:** York County Board of Supervisors

**FROM:** Daniel M. Stuck, County Administrator

**SUBJECT:** Requests for Allocation of Lodging Tax Revenues

As the Board is aware, in each of the past several years requests have been received from various groups and organizations for funding allocations from the tourism-designated lodging tax revenues. Normally, these requests are received in December and January and then are packaged for consideration by the Board in the Spring. However, two requests for funding consideration have been received recently and, since one of those is somewhat time sensitive, I am taking this opportunity to forward them to the Board now, rather than in April or May as is the norm.

The following paragraphs summarize the two requests received to date.

### **Yorktown Fourth of July Celebration (Attachment A)**

In 1999, the Board approved a grant of \$17,270 to the Fourth of July Celebration Committee in support of the July 4<sup>th</sup> celebration in Yorktown. This year the grant amount was increased to \$20,000 based on a detailed budget request submitted by the Committee. For 2001, the Committee has requested that the grant be increased to \$35,000 (see attached letter dated September 27, 2000). The bulk of the requested increase (\$14,000) is proposed to cover the cost of the fireworks display, which the Committee notes is becoming much more difficult to fund through corporate or individual donations. Since planning for the 2001 event is already underway and since the funding issue is so critical to the success of the event, the Committee is anxious to know whether the Board will be able to support its request.

### **DAR/Custom House (Attachment B)**

This past May, the Comte de Grasse Chapter of the DAR (owners of the Custom House) submitted a request for a \$4,350 grant from the tourism-designated lodging tax revenues to support additional openings of the Custom House (see attached request). The DAR was advised that grants from the tourism fund are typically made for capital rather than operational costs, and in that regard the DAR was invited to consider its capital needs in terms of future funding requests. The attached letter from Regent Martha Edwards details some of the potential capital projects that the DAR hopes to undertake if sufficient funding can be obtained.

### Recommendation

The July 4<sup>th</sup> Celebration is one of those events that, in my opinion, contributes to the character and uniqueness of Yorktown. It has a long tradition and has grown in popularity over the years. The grants that the Board has provided the past two years have allowed the committee to implement a number of logistical improvements such as the changeable message boards for traffic control and the portable lights

for pedestrian and parking lot safety, and I believe that support of these expenses should be continued. The new issue this year is the requested financial support for the fireworks, which are certainly an integral part of the Yorktown July 4<sup>th</sup> celebration.

Essentially, according to the submitted information, the Fourth of July Committee is saying that the budget for the celebration is \$47,000 per year and that they can raise \$12,000 of that amount. I think the organizing committee has done an excellent job of planning and conducting the previous celebrations and I know that they want to continue the event in the future. I appreciate and have no reason to doubt their assessment of the fund-raising opportunities and difficulties and can understand the committee's desire to be relieved of the burden of raising funds for the fireworks. However, I believe it is unrealistic to expect the Board to take over full funding in one year. Instead, I would propose that the Board's funding commitment be increased to \$28,000, thus covering the \$21,000 in logistical expenses and one-half (\$7,000) of the cost of the fireworks. I am inclined to think that starting the fund-raising effort with 50% of the goal achieved would be of great assistance in convincing other prospective sponsors to contribute. I believe the committee should be challenged to make the event work with this level of County support before consideration is given to fully funding the \$35,000 request. And finally, I believe that the committee should be cautioned not to "grow" the event beyond its current size since to do so could overwhelm Yorktown and destroy the character and characteristics that make the event so special.

With respect to the DAR/Custom House request, there is certainly a lengthy list of potential capital improvements (\$149,000 total estimated cost). I believe the Custom House is an important attraction on historic Main Street and, as with the Watermen's Museum, I believe it would be appropriate for the Board to provide some capital project funding assistance from the tourism-designated lodging tax revenues. However, as was the case with the FY 99 grant to the Watermen's Museum, I believe there should be a matching funds requirement. In this regard, I recommend that the Board approve a \$5,000 capital project "challenge grant" for the DAR/Custom House under which they would receive \$1 for every dollar of non-County funds received and available for capital improvements to their property (up to a maximum of \$5,000). Hopefully, this would provide an opportunity for the DAR to free up some funds that might otherwise be spent on capital needs to be used to support an expanded schedule of openings for visitors to Yorktown. Since the operational costs for the trolley have run about \$5,000 less than was budgeted for the season, I recommend that those unexpended funds be used for the grant to the DAR.

Technically, the 4<sup>th</sup> of July support would be a FY 2002 expenditure. However, the committee will need to commit to most of the expenses well before July 1, 2001 (the start of FY 02) and consequently payment of the grant from FY 01 funds would be desirable (essentially as an advance of FY 02 funding). The recently adopted Yorktown Capital Improvements Plan programs \$90,000 in FY 02 for "Other Contributions," the category from which this contribution would be funded. "Advancing" \$28,000 for the July 4<sup>th</sup> Committee would leave a balance of \$72,000 for the Board to allocate among the "other" requests likely to be received (such as: Symphony support, Victory Center exhibit support, Watermen's Museum capital fund support, etc.).

Sufficient funds are available in the already appropriated FY 01 lodging tax revenues to cover both of these proposed expenditures without impacting any of the programmed capital projects. Therefore, I recommend that the Board authorize the allocations, subject to the conditions noted above.

York County Board of Supervisors

November 7, 2000

Page 3

Carter/3337:jmc

Attachments